



اَوْنِيُوْرَسِيْتِي تِيكْنُوْلُوْجِي مَارَا  
UNIVERSITI  
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MARA

**ARTICLE REVIEW**

**HOW ARE SMALL BUSINESSES ADJUSTING TO COVID-19?**

**EARLY EVIDENCE FROM A SURVEY**

**PRINCIPLES OF ENTREPRENEURSHIP (ENT530)**

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## **1.0 INTRODUCTION**

The article indicates that the year 2020 is a worse global recession that could be even worse than Financial Crisis (2008 – 2009). This happens due to the disease known as coronavirus that started in Wuhan, China in 2019. These viruses killed people's lives which we do not know how we got infected by this kind of disease. The coronavirus or COVID-19 not just only presents a significant threat to humans in terms of health but almost killed the businesses throughout the world. We can see from the news almost all the countries been lockdown to prevent the spread of coronavirus. Most of the company has to be temporarily closed, some of the factories need to be temporary shutdown, a small business cannot operate and most of the activities had to be postponed in dealing with the crisis. Due to this crisis, many companies have made adjustments to their business operations and work procedures like work from home so that their employees continue to press on this difficult time. The article also discusses how businesses deal in this pandemic situation, how the businesses struggle to maintain their cash flows and to survive in the industries. Therefore, being an entrepreneur was not an easy as ABC because a lot of things need to be handled, more projects should be developed, and more employees need to pay off so that the business can be sustained for the long term.

## **2.0 FINDINGS AND DISCUSSIONS**

First, with regards to the studies of the link, many of the businesses especially Small and Medium Enterprise (SMEs) company got affected during the crisis. This crisis has gave a big impact on all companies around the world. The small businesses are among the hardest hit following the implementation of the lockdown and movement control order throughout the world. It is shown that the business had been forced to facing a new norm and to rapidly adapt to new ways of doing business and day to day activities. Due to COVID – 19, 43 percent of businesses have temporarily closed and nearly all of them closed. It seems more extreme than the economic effects of the 1918 influenza epidemic (Barro, Ursua and Weng 2020; Garret 2007, 2008). The article that I choose is about how entrepreneurs adjusting their businesses during this pandemic situation by getting loan the agency that might help them. However, the business owners might find difficulties in order to apply for the loan and other funds related to help the small business to sustain in the industry. Government and some other agencies might help the business but it became complicated as they need to follow some criteria to avoid from fraud.

Next, the author focuses on the extent to which small businesses can be sustained in this pandemic situation. From the studies, it is shown that most of the small companies in America are

information. Since the coronavirus hit, small business owners were hard to a made decisions and so do to answers the surveys. As mentioned in the article, from page 5, a paragraph no 3, the surveys conducted to the business owners were selected in 3 ways which are firms that have chosen to join Alignable, to stay actively engaged taking surveys and firms that active within Alignable that chose to answer the survey. However, we cannot guarantee that they could answer the surveys properly as this pandemic was not over yet. I think the author should survey this pandemic end for him to measure this COVID-19 issue.

Secondly, lots of questions available that need to be answered. Even though the questions that were asked by the author is quite easy, or we can say as straight forward or uncomplicated. From the article, page 5, a paragraph no 4, 43 questions are too many as the author should reduce the number of questions to 30 questions and below. As the number of questions increases, the completion rate often decreases. The questionnaires with 43 questions have about lower completion than 10 questions. (Survey Monkey)

### **3.0 CONCLUSION**

This research investigated how small businesses are adjusting to COVID-19 among America's small businesses. The data were collected by conducting a survey of more than 5,800 small businesses. As mentioned earlier in the introduction, the purpose of this study was to investigate either small business operation and employment can be sustained in this pandemic situation with regards to temporary closings and employment, financial fragility of businesses and predicting the path of the crisis. The following conclusions can be drawn based on the finding of the study. This study has shown that many of these small businesses have little cash on hand, which means that they will either have to dramatically cut expenses, take on additional debt, or declare bankruptcy. Besides, COVID-19 disruptions do not affect all businesses equally. Some are deemed essential and remain open, while others have been forcibly shut. The results of this study indicated that the current crisis of COVID-19 deeply affected small businesses' operation and employment. However, these findings are only true for the early stage of this pandemic happened and cannot be generalized until the end of this period of a pandemic. The same studies need to be conducted over time in order to get reliable and more accurate information from time to time on how this COVID-19 will affect the businesses over time.